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MEMORANDUM

To: Members of the Subcommittee on National Security, Emerging Threats, and International Relations

From: Christopher Skaluba, Presidential Management Intern

Re: Briefing memo for the hearing *Combating Terrorism: Preparing and Funding First Responders* scheduled for Tuesday, September 9, 2003 at 10:00 a.m. in room 2203 Rayburn House Office Building.

PURPOSE OF THE HEARING

The hearing will review efforts to improve domestic preparedness, focusing particularly on the recent Council on Foreign Relations report, *Emergency Responders: Drastically Underfunded, Dangerously Unprepared*.

HEARING ISSUES

- 1. How accurate are forecasts of funding shortfalls for emergency responders absent a cogent threat assessment, a full accounting of local capabilities, and national standards for emergency preparedness?**

2. Until national standards for preparedness are defined, what is the best short-term strategy for funding emergency responders and preparedness initiatives?

BACKGROUND

In July 2003, the Council of Foreign Relations (CFR) released *Emergency Responders: Drastically Underfunded, Dangerously Unprepared*, a sobering review of domestic preparedness and funding issues with regard to local emergency responders. **(Attachment 1)** The report was prepared by a task force chaired by former New Hampshire Senator Warren Rudman and former White House advisor Richard Clarke. It is a follow-on to the Council's October 2002 report, *America—Still Unprepared, Still in Danger*. **(Web Resource 1)**

According to data provided to the Council by emergency responder professional associations and leading emergency response officials from around the country, America will fall approximately \$98.4 billion short of meeting critical emergency responder needs over the next five years if current funding levels are maintained. While admitting the methodology used to calculate the \$98.4 billion figure is less than perfect, the report marks the first holistic attempt to quantify emergency responder funding shortfalls. **(Attachment 1)**

This estimate does not include overtime costs for training or costs for several critical mission areas, which could not be determined by the Council. Most significantly, this figure does not include costs for addressing the needs of police forces across the United States for which national police organizations were unable to provide estimates. While the Council's budget estimates are very preliminary, they cannot be more precise in the absence of a systematic national requirements methodology. **(Attachment 1)**

Report Methodology and the Task Force on Emergency Responders

The Council established an Independent Task Force on Emergency Responders as a means to research the topic. The Task Force subsequently established an Emergency Responders Action Group, "consisting of representatives of emergency responder professional associations,

jurisdictional associations representing state and local officials, and congressional and budgetary experts, to provide expertise and advice to the Task Force.” The Task Force teamed with the Concord Coalition and the Center for Strategic and Budgetary Assessments, two of the nation’s leading budget analysis organizations, to forge its analysis. This represents the first effort to develop a comprehensive budget estimate of the costs to protect the homeland. **(Attachment 1)**

Definitions of Emergency Responders

As defined in the Homeland Security Act of 2002 (42 USC 5195), the term “emergency response providers” includes federal, state, and local emergency public safety, law enforcement, emergency response, emergency medical (including hospital emergency facilities), and related personnel, agencies, and authorities. Within this definition, the Task Force included the fields of emergency management, police, firefighting, EMS, emergency communications, public health, hospitals, and public utilities, as well as private-sector assets such as private hospitals, ambulance services, and volunteer organizations (such as volunteer firefighters). **(Attachment 1)**

Current Spending for Emergency Responders

Using the administration’s FY04 budget request for various programs in the Department of Homeland Security (DHS) and the Department of Health and Human Services (HHS), the Council estimates the federal government will spend approximately \$27 billion dollars for state and local responders over the next five years (FY04 through FY08). The Council estimates the FY04 budget request for state and local emergency responders is \$5.4 billion. **(Attachment 1)**

Estimates for state and local spending on emergency responders are more difficult to ascertain. The Council relied on a 2002 research report by Deloitte Consulting and *Aviation Week* projected a FY2003 range of \$4.9 billion to \$14.9 billion by state and local authorities for emergency responders. **(Web Resource 2)** Controlling for inflation, the FY03 equivalent range would be \$5.2 billion to \$15.2 billion, or a five-year total range of \$26 to \$76 billion. **(Attachment 1)**

The Council's total estimate for emergency responder spending for the next five years—to include federal, state, and local spending—is a range of \$53 to \$103 billion. **(Attachment 1)**

Details of the \$98.4 Billion Figure in Estimated Additional Needs

Despite expenditures that might exceed \$100 billion over the next five years, the Council estimates there are at least \$98.4 billion in additional needs that will remain unfunded in the same five-year period:

- Fire Services—\$36.8 billion
- Urban Search and Rescue—\$15.2 billion
- Hospital Preparedness—\$29.6 billion
- Public Health—\$6.7 billion
- Emergency 911 Systems—\$10.4 billion
- Interoperable Communications—\$6.8 billion
- Emergency Operations Centers—\$3.3 billion
- Animal/Agriculture Emergency Response—\$2.1 billion
- Emergency Medical Services Systems—\$1.4 billion
- Emergency Management Planning and Coordination—\$1 billion
- Emergency Response Regional Exercises—\$0.3 billion

These potential additional emergency responder needs total \$113.6 billion. The Council estimates this number would likely be offset by grants from DHS totaling \$15.2—leaving a total of \$98.4 billion in additional needs. **(Attachment 1)**

The CFR Task Force Conclusions and Recommendations

The report concludes that attempting to precisely measure shortfalls in emergency preparedness without set standardized requirements is a significant problem. The report states that,

“America's leaders have not yet defined national standards of preparedness—the essential capabilities that every jurisdiction of a particular size should have or have immediate access to. It is therefore not yet possible to determine precisely the gaps in each jurisdiction between how prepared it is now and how prepared it needs to be. The absence of a functioning methodology to determine national

requirements for emergency preparedness constitutes a public policy crisis.”
(Attachment 1)

The Council believes:

“Establishing national standards that define levels of preparedness is a critical first step toward determining the nature and extent of additional requirements and the human and financial resources needed to fulfill them. National capability standards would, for example, determine the minimum number of people that cities of a certain size should be able to decontaminate, inoculate, quarantine, or treat after a chemical, nuclear, biological, or radiological attack. Local jurisdictions would then be allowed flexibility in reaching those levels over a fixed period of time. Standards would make it possible to use funding efficiently to meet identified needs and measure preparedness levels on a national scale.”
(Attachment 1)

While its primary recommendations are tied to the need to develop preparedness standards by which requirements can be delineated and appropriate capabilities apportioned, other recommendations involve more efficiently and flexibly allocating and managing resources: **(Attachment 1)**

- Define and Provide for Essential Capabilities
- Develop Requirements Methodology
- Accept Necessary Burden-Sharing
- Guarantee Sustained Multiyear Funding
- Refocus Funding Priorities
- Rationalize Congressional Oversight
- Accelerate Delivery Assistance
- Fix Funding Mechanisms
- Disseminate Best Practices
- Enhance Coordination and Planning

Recent Related Reports on Preparedness

The RAND Corporation released a 2003 report on *Protecting Emergency Responders* that echoed some of the Council’s findings. It states, “Many police and fire department representatives felt they did not know what they need to be protected against, what form of protection is appropriate, or where to look for protection. Such uncertainty frustrates efforts to design a

protection program and acquire the necessary technology.” **(Web Resource 3)**

In the context of preparedness for a biological incident, The Partnership for Public Service released a July 2003 report entitled *Homeland Insecurity: Building the Expertise to Defend America from Bioterrorism*. The report reveals that biodefense agencies are having trouble hiring employees with requisite scientific and medical expertise. It predicts the demand for biodefense will continue to rise for the foreseeable future while the supply of talent will decline. **(Web Resource 4)**

DISCUSSION OF HEARING ISSUES

1. How accurate are forecasts of funding shortfalls for emergency responders absent a cogent threat assessment, a full accounting of local capabilities, and national standards for emergency preparedness?

The ability to defend against, react to, or recover from another terrorist incident on American soil will greatly depend on the capabilities of the emergency responders in the community where the incident occurs. As was the case in New York and Washington on September 11, 2001, local police and firefighters in conjunction with emergency and medical personnel will be the first responders to the scene. Their ability to respond effectively might mean the difference between a minor and a major incident, between a foiled and a successful terrorist plot. **(Attachment 2)**

The difference between the attack of September 2001 and any future terrorist incident is the nature of national and local preparedness. Preparedness can be defined as “enhancing a state or local government’s capability to effectively respond to a terrorist attack, particularly one involving a weapon of mass destruction.” **(Web Resource 5)**

The ability to deal with the threat is largely an issue of resources and training. The forward to the CFR report suggests: “...the United States may be spending only one third of what is required to adequately provide for America’s emergency responders.” **(Attachment 1)** While there is a general consensus the nation is better prepared than it was before September

11, there are still problems plaguing local responders that could and should be addressed. **(Attachment 3)**

Harsher critics believe there is little room for optimism. A recent New York Times op-ed quoted a terrorism expert as saying, "...nearly two years after 9/11, the hospitals and public health systems are absolutely unprepared for a major act of terrorism. There's been very little improvement from two years ago. No one's really ever defined what we mean by preparedness."
(Attachment 3).

Emergency responders attending a homeland security forum near Seattle in early August said local law enforcement does not have the resources to operate in a full 24-hour-a-day emergency response mode, and federal money is accompanied by too much red tape. Some bemoaned the fact they have sophisticated equipment they don't how to use, while others are confused by what the local response to federal orange and yellow alerts should entail. **(Web Resource 6)**

Jamie Metzl, the project director for the Council's report was no less concerned during his July 17, 2003 hearing to the House Select Committee on Homeland Security. Metzl stated that,

"...fire departments across the country have only enough radios to equip half the firefighters on a shift, and breathing apparatuses for only one third...a mere ten percent of fire departments in the United States have the personnel and equipment to respond to a building collapse...police departments in cities across the country do not have the protective gear to safely secure a site following an attack with weapons of mass destruction...[and] public health labs in most states still lack basic equipment and expertise to adequately respond to a chemical or biological attack." **(Web Resource 7)**

Even in an ideal world of unlimited resources, the matter of "adequate" spending for emergency responders remains a difficult problem in light of an evolving and uncertain set of requirements. The first problem in this regard is that information concerning emergency responder requirements below the federal level is inconsistent, incomplete, and often a matter of interpretation. For instance, budget estimates used by the report for state and local spending on emergency preparedness for a five-year period beginning in FY04 could be as low as \$26 billion or as high as \$76 billion. **(Attachment 1)** Without a

precise knowledge of how much is being spent, it is impossible to accurately gauge how much more funding is needed.

Without defining requirements and determining national priorities, the United States will risk spending unlimited resources on emergency preparedness. Without the institution of minimal preparedness levels and standards the federal government and state and local communities can strive to attain, the United States might create an illusion of preparedness that could prove far more costly than efforts to define preparedness levels now.¹ **(Attachment 1)**

While the Council's report, a December 2002 Gilmore Commission report, and various others call for national preparedness standards as a necessary step to solving the resource crunch as it relates to homeland security, others believe defining preparedness standards is a daunting challenge with questionable benefits. **(Attachment 4)**

Proponents of standards tend to echo the CFR's rationale—contending standards could “lead to a national baseline of preparedness, against which states and localities could be held accountable for achieving established goals.” **(Attachment 4)** The aforementioned Gilmore Commission report stated that “...without a comprehensive approach to measuring how well we are doing with the resources being applied at any point in time, there will be very little prospect for answering the question, ‘How well prepared are we?’” **(Attachment 4)**

Opponents of standards believe they would provide limited benefits. They believe the range of terrorist potentialities is too broad to effectively define, targets are too varied, different kinds of communities have different kinds of preparedness needs, and standards might limit state and local ability to experiment with different approaches to preparedness. **(Attachment 4)** Still others suggest federal grants to state and localities have been poorly or slowly used, if used at all, and believe this signals a dearth of need for federal money. **(Web Resource 5)** For instance, some federal FY02

¹ On June 17, 2003, the Senate Governmental Affairs Committee introduced S. 1245, the Homeland Security Grant Enhancement Act of 2003. The bill would instruct DHS to develop national performance standards for state and local preparedness efforts on which federal funding to states and localities would depend. Without achievement of particular standards, states and localities would be refused federal funding for certain initiatives. **(Attachment 4)**

preparedness grants to state and local governments for border security have yet to be spent. **(Web Resource 8)**

Another aspect to the debate over preparedness standards involves the “all hazards” approach to preparedness programs. Proponents of an all-hazards approach believe the response and recovery operations for a terrorist incident do not differ greatly from response and recovery operations for other incidents like natural disasters or HAZMAT spills. Proponents believe that preparedness standards for terrorist incidents should be integrated into the greater pool of preparedness standards for reasons of both consistency and thrift. **(Attachment 5)**

Opponents of an all-hazards approach believe preparedness for a terrorist incident is distinct and should remain in a separate realm from other types of preparedness activities. Most opponents believe the “law enforcement” aspect to a terrorist attack demands it be treated and resourced separately from other types of preparedness activities so that the law enforcement aspect remains primary. **(Attachment 5)**

For all these reasons, debating whether it is constructive to attempt to forecast emergency preparedness shortfalls is a matter of perspective. Those who believe standards are necessary can use the Council’s forecast to make its case there are too many critical requirements falling through the cracks. Those against standards might use the \$98.4 billion figure as evidence the problem is too immense and nuanced to possibly standardize.

While the \$98.4 billion pricetag in potential unmet first responder needs is substantial, the report tacitly suggests some of the cost could be defrayed through more efficient funding practices. For instance, \$34.3 million earmarked for New York City preparedness measures sat in state coffers for over two months—only released to the city after public please for its release. **(Web Resource 9)** The CFR sees as much a need for better management of resources as for standardization of preparedness requirements.

2. Until national standards for preparedness are defined, what is the best short-term strategy for funding emergency responders and preparedness initiatives?

Both proponents and opponents of standards are likely to agree with the assessment of the Council that developing a rational short-term resource strategy for emergency preparedness would revolve around four goals:

- 1) meeting the special security needs by bringing the high payoff targets to a high state of readiness;
 - 2) establishing a baseline system for the rest of the nation that allows for the planning, assessments, and the command, control, and communications needed to link the country under a flexible, coherent national emergency response system;
 - 3) building up the capacity of state and local governments to respond to a terrorist attack;
 - 4) providing emergency supplemental funding for actual emergencies.
- (Attachment 1)**

Proponents of standards would, of course, advocate fashioning preparedness standards in the medium to long term as a means of making more accurate and efficient resourcing decisions. Opponents would likely see the Council's short-term goals as a logical but flexible approach to preparedness that could be extended into the longer term.

The Council's approach is a logical short-term solution to the problem of allocating scarce resources among a potentially infinite number of requirements. That said, there must a move to quickly define the nation's special security needs and baseline requirements for the rest of the nation. With those tasks done well, it will be easier to judge the efficacy of further defining preparedness standards for states and localities.

All approaches to enhancing preparedness of emergency responders should necessarily entail creative burden-sharing arrangements among federal, state, and local authorities. The effective vertical and horizontal sharing of

financial resources, personnel, expertise, and equipment among and across all levels of authority will greatly decrease the overall burden of enhanced preparedness, regardless of the strategy chosen towards that end.

WITNESS TESTIMONY

Senator Warren Rudman, Chairman, Independent Task Force on Emergency Responders, Council of Foreign Relations is expected to strongly support the Council's findings that much more money is needed to enhance emergency responder preparedness and that standardizing emergency responder requirements is a necessity.

Mr. Richard A. Clarke, Senior Advisor, Council on Foreign Relations is expected to strongly support the Council's findings that much more money is needed to enhance emergency responder preparedness and that standardizing emergency responder requirements is a necessity.

Dr. Amy Smithson, Center for Strategic and International Studies, is expected to agree with the assessment of the Council's report that much more money is needed for local emergency responder initiatives and that it is imperative to get money to local responders as quickly as possible.

Adrian H. Thompson, Interim Chief DC Fire and EMS Department, Government of the District of Columbia, is expected to give an on the ground perspective of the types of preparedness and funding shortfalls that local emergency responders face daily.

Ed Plaughter, Fire Chief, County of Arlington, Virginia, will testify of behalf of the International Association of Fire Chiefs and is expected to testify about the need for standardized requirements for local preparedness.

WITNESSES

Panel I

Senator Warren B. Rudman

Chairman

Independent Task Force on Emergency Responders

Council of Foreign Relations

Mr. Richard A. Clarke

Senior Advisor

Council on Foreign Relations

Dr. Amy Smithson

Center for Strategic and International Studies

Panel II

Adrian H. Thompson

Interim Chief DC Fire and EMS Department

Government of the District of Columbia

Ed Plaugher

Fire Chief

County of Arlington, Virginia

International Association of Fire Chiefs

ATTACHMENTS

1. Council on Foreign Relations, “Emergency Responders: Drastically Underfunded, Dangerously Unprepared,” July 2003.
2. Edward H. Kaplan, William J. Bicknell, and Lawrence M. Wein, “How to Best Fight Against Bioterrorism,” The Cato Institute, August 5, 2003.
3. “Are We Ready?,” *Washington Post*, July 13, 2003, and Bob Herbert, “Ready or Not,” *New York Times*, August 25 2003.
4. Ben Canada, “Homeland Security: Standards for State and Local Preparedness,” Congressional Research Service, July 16, 2003.
5. Ben Canada, “Department of Homeland Security: State and Local Preparedness Issues,” Congressional Research Service, May 5, 2003.

WEB RESOURCES

1. Council on Foreign Relations, *America—Still Unprepared, Still in Danger*, found at http://www.cfr.org/pdf/Homeland_TF.pdf.
2. Deloitte Consulting and Aviation Week, *The Homeland Security Market*, http://www.alentejodigital.pt/rosadopereira/egov/Fornecedores/DC_Homeland_Security.pdf.
3. RAND, *Protecting Emergency Responders*, found at <http://www.rand.org/publications/MR/MR1646/>.
4. Partnership for Public Service, “Homeland Insecurity: Building the Expertise to Defend America from Bioterrorism,” July 2003, found at http://www.ourpublicservice.org/usr_doc/Homeland_Insecurity_-_Building_the_Expertise_to_Defend_America_from_Bioterrorism.pdf
5. Ben Canada and Shawn Reese, “FY2003 Appropriations for First Responder Preparedness: Fact Sheet,” Congressional Research Service, June 2, 2003, found at <http://www.congress.gov/erp/rs/pdf/RS21400.pdf>.

6. M.L. Lyke, "Homeland Security: A look at frustrations and funding," *The Seattle Post-Intelligencer*, August 1, 2003, found at http://seattlepi.nwsource.com/local/133303_security01.html.
7. Statement of Jamie Metzl to House Select Committee on Homeland Security, July 17, 2003, found at <http://hsc.house.gov/files/Testimony%20Metzl.doc>.
8. David Z. Bodenheimer, "Technology for Border Protection: Homeland Security Funding and Priorities," August 2003, found at <http://www.homelanddefense.org/journal/Articles/Bodenheimer.html>.
9. David Saltonstall, "A Post-9/11 Cash Trickle," *New York Daily News*, August 25, 2003, found at <http://www.nydailynews.com/news/local/story/111794p-100984c.html>.